



State of Utah

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FOR IMMEDIATE RELEASE
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SALT LAKE CITY PSYCHOLOGIST CHARGED WITH HEALTH CARE FRAUD IN INDICTMENT RETURNED BY GRAND JURY

CHARGES ALLEGE HE CAUSED HEALTH CARE BENEFIT PROGRAMS TO PAY MORE THAN \$1.3 MILLION FOR SERVICES NOT PROVIDED TO PATIENTS

SALT LAKE CITY – A federal grand jury returned an indictment Wednesday charging Charles Fredrick McCusker, age 62, of Salt Lake City, a licensed Utah psychologist, with health care fraud and mail fraud in connection with a health care fraud scheme the indictment alleges caused federal and private benefit programs to pay more than \$1.3 million for services not provided to patients. The indictment alleges the conduct occurred from around 2007 to around August 2013.

The indictment, which includes 18 counts of health care fraud and 16 counts of mail fraud, follows a coordinated investigation by the FBI, the U.S. Health and Human Services' Office of Inspector General, the Utah Insurance Fraud Division, the Utah Attorney General's Office, and the U.S. Attorney's Office. The indictment follows a state felony information filed on February 20, 2014, charging McCusker with 25 second degree felonies alleging identity fraud, insurance fraud, and pattern of unlawful conduct.

According to the indictment, McCusker conducted business as Health Balance International and New Life Balance in Salt Lake City.

The indictment alleges McCusker executed a scheme to defraud health care benefit programs by billing private insurers and government health care programs for services not provided to patients, resulting in payments to which he was not entitled.

McCusker, the indictment alleges, obtained health insurance information from patients under the guise that he would bill health care benefit programs only for services actually provided. As further steps in the scheme to defraud, McCusker did not meet at all with some patients nor did he provide any follow up services. Despite that fact, the indictment alleges, McCusker fraudulently billed patients' health care programs for services he did not provide.

In other instances, McCusker met with a patient only once and provided no follow up services. Despite that fact, the indictment alleges, McCusker falsely billed the patients' health care benefit programs for follow up services not provided. On other occasions, McCusker provided services to patients on several occasions but fraudulently billed these patients' health care benefit programs for numerous additional services not provided.

According to the indictment, McCusker fraudulently submitted claims to health care benefit programs seeking reimbursement for services he did not provide. Those claims were processed and paid by health care benefit programs.

Please note: Agency hours are 8am-5pm, Monday-Friday.

A summons has been issued to McCusker for an initial appearance in federal court on March 27, 2014, at 10 a.m. before U.S. District Judge David Nuffer. The potential maximum penalty for each count of health care fraud is 10 years and the penalty for each mail fraud count is 20 years.

Indictments are not findings of guilt. Individuals charged in indictments are presumed innocent unless or until proven guilty in court.

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The Utah Insurance Department is a State agency. Its mandate is to regulate insurance marketed and sold in Utah. Currently more than 95,000 agents, agencies, and insurers are licensed; domestic insurers are audited to verify financial stability and compliance with insurance laws; administrative action is taken against licensees found to be in violation of insurance laws; calls from consumers with questions or complaints are taken; and licensees and consumers are educated regarding insurance. For more information visit <http://www.insurance.utah.gov/> or call toll free in-state @ 1-800-439-3805 or locally @ 801-538-3077.